

## STATE OF VERMONT

## HUMAN SERVICES BOARD

In re ) Fair Hearing No. 12,402

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Appeal of )

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INTRODUCTION

The petitioner appeals the decision by the Department of Social Welfare terminating her medicaid benefits until she meets a spenddown amount of \$1,068.00 between November 1, 1993, and April 30, 1994. The issue is whether the petitioner's household income is in excess of the program maximum.

FINDINGS OF FACT

The petitioner lives with her husband, who receives Social Security retirement benefits of \$448.00 a month. Prior to November, 1993, the petitioner's only income was from part-time employment. Her earnings were sufficiently low (e.g., in October, 1993, she earned a total of \$180.00) so that she and her husband were under the \$700.00 "protected income level" (PIL) to qualify for medicaid. In November, 1993, the petitioner stopped working but began receiving \$450.00 a month in Social Security disability benefits. This placed the petitioner and her husband \$178.00 a month over the PIL. This resulted in an "applied income" or deductible to the household of \$1,068.00 for the six-month eligibility period beginning that month.

The petitioner has no dispute with either the income calculations or the applicability of the regulations upon which the Department's determination is based. However, she and her husband have high monthly medical expenses, and the unexpected loss of medicaid eligibility disrupted their plans to use their increased income on badly needed home repairs. At the hearing (held on December 2, 1993) the petitioner was advised how her incurred medical expenses would be applied toward her spenddown amount and of her potential eligibility for general assistance if her income was insufficient to meet any emergency need.

ORDER

The Department's decision is affirmed.

### REASONS

Under the medicaid regulations the PIL for a household of two persons is \$700.00 a month. Household income in excess of this amount is determined over a six-month period to constitute an applied income amount that the household is required to incur (not spend) in medical expenses before medicaid coverage can begin for the household for the remainder of the six-month eligibility period. See Medicaid Manual §§ 350 and 400-402. In this case there is no dispute that the Department correctly determined the petitioner's income and applied the pertinent regulations. Therefore, the Board is bound by law to affirm the Department's decision. 3 V.S.A. § 3091(d) and Fair Hearing Rule No. 19.

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